

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 433 – SB 1232

February 26, 2017

**SUMMARY OF ORIGINAL BILL:** Requires each Tennessee Veterans Education Transition Support (VETS) campus to submit data regarding veterans on their respective campuses on or before July 31 of each year to the Tennessee Higher Education Commission (THEC).

Requires state institutions of higher education to develop and implement uniform procedures for awarding academic credit applicable toward a degree credential for military education, training, experience, and occupational specialties in the form of course credit equivalencies.

Sets forth methods for implementation that include, but are not limited to: requiring THEC and the governing boards to consult with faculty and subject matter experts as institutions develop course equivalencies; requiring governing boards to consider skills that are developed in all aspects of military education, training and experience beyond the physical fitness components; authorizing the chancellor of the board of regents to utilize board office resources in furtherance of the purposes of this section and to adopt, where applicable and appropriate, uniform system-wide course equivalencies for community colleges and colleges of applied technology.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (003818):** Adds language to the bill that prohibits a veteran or other individual eligible to receive educational benefits administered by the United States Department of Veterans Affairs (USDVA) from being required to pay out-of-state tuition or any out-of-state fee at any state institution, provided that certain requirements are met.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

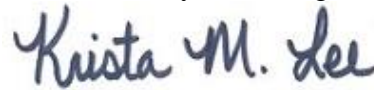
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Assumptions for the bill as amended:

- Passage of this legislation will allow the university board of each VETS campus to independently adopt policies and procedures and perform functions that were previously under the sole jurisdiction of the Tennessee Board of Regents (TBR) system or the University of Tennessee (UT) system. As a result, this bill as amended provides the statutory authority for policies and procedures to be developed and implemented by each institution exclusively, rather than by the larger overseeing TBR and UT systems.
- It is assumed that any impact associated with utilizing the office of the Chancellor of the TBR to fulfill the purposes of the bill as amended will be not significant and can be accomplished within existing resources without an additional appropriation.
- These actions will be taken and performed within the normal course of board meetings and the normal course of business as the universities set up their independent governance structures as set forth by the F.O.C.U.S. Act (Public Acts 2016, Public Chapter 869). Therefore, no significant fiscal impact to state government.
- Current law, pursuant to Tenn. Code Ann. 49-7-1304, prohibits any veteran or other individual entitled to veteran's educational benefits and post 9/11 GI Bill benefits or Montgomery GI Bill benefits, from being required to pay out-of-state tuition.
- Based on information provided by THEC, the provisions of this amendment (003818) would make technical changes required to be in compliance with federal regulations for Tennessee veterans to receive federal education benefits.
- Authorizing veterans or other individuals eligible to receive educational benefits administered by the USDVA and not specifically post 9/11 GI or Montgomery GI benefits to be exempt from out-of-state tuition and fees is not anticipated to result in a significant increase in state expenditures. No additional students will become eligible for in-state tuition.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp